

# **State of Alaska FY2005 Governor's Operating Budget**

## **Department of Labor and Workforce Development Alaska Vocational Technical Center Component Budget Summary**

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**Component: Alaska Vocational Technical Center****Contribution to Department's Mission**

The Alaska Vocational Technical Center contributes to the department's mission by providing market-driven vocational and technical training to state residents.

**Core Services**

The Alaska Vocational Technical Center (AVTEC) is a public post-secondary vocational technical education and training institution that provides vocational technical education programs for Alaskans across the state. To assure Alaska hire, AVTEC offers vocational technical training in occupations relating to Alaska's expanding and unique economy. AVTEC coordinates with secondary education to provide career paths for Alaska high school students to fill the 70 – 80% of jobs that do not require a college degree. AVTEC offers long-term training programs in 15 different business and industry fields. In addition, AVTEC provides a wide variety of short-term training and education programs to hundreds of Alaskans in many communities annually. Short-term training is generally industry specific contract training and varies in length from one day to six weeks.

**Construction Industry** - Structural and Pipe Welding Technology Programs use the latest equipment found in today's workplace to provide skills and abilities very much in demand in Alaska's construction industry. The Industrial Electrical Program graduates are highly sought after by employers for their technical skills and knowledge from basic electrical principles to their ability to troubleshoot and maintain the most advanced programmable logic controllers found in the process technology and construction industries. Facility Maintenance Programs, both mechanical and construction, are graduating students ready to tackle the demands of our high-tech construction and maintenance industry both residential and commercial

**Health Care Industry** - AVTEC's Anchorage Allied Health Department's Certified Nurse Assistants (CNA) and Licensed Practical Nurse (LPN) courses are nationally accredited by the Council on Occupational Education and approved by the State of Board of Nursing. These programs operate in a collaborative effort between AVTEC and Providence Health System Alaska to increase the number of entry level CNA's available to alleviate severe staffing shortages in Alaska. Some of these CNA's will continue their education to become either LPN's or Registered Nurses and assist in alleviating the Alaska nursing shortage.

**Information Technology Industry** - Industry certifications students can receive through this program include A+, Microsoft MCSE, Cisco CCNA, and CompTIA Net+. Last year AVTEC implemented a new Village Internet Agent certificate program, designed to help build and support computer technology infrastructure in rural Alaska. This year a second long-term IT program was developed and launched at the request of the industry advisory board. In the Web Application Developer program students will complete industry certification as Certified Internet Webmasters. This is the only program of its kind in Alaska.

**Transportation Industry** - Alaska Maritime Training Center provides a wide variety of Coast Guard approved licensing classes for incumbent and new mariners. Maritime training programs include OUPV/Master Mate, Master 100 Ton, Master Unlimited, and Merchant Mariner's Document. The Heavy and Diesel Technology and Automotive Technology Programs provide training to gain employment within the automotive and diesel/heavy maintenance and repair industry.

**Hospitality Industry** - AVTEC's Culinary Arts and Sciences program was completely transformed over the past three years from a camp cook training program to a first class culinary academy. In addition to providing the long-term training program in Seward, instructors traveled to Sitka to train all kitchen staff employed by the state's Marine Highway System.

### FY2005 Resources Allocated to Achieve Results

**FY2005 Component Budget: \$7,231,600**

**Personnel:**

Full time	15
Part time	54
<b>Total</b>	<b>69</b>

## Key Component Challenges

The key issue facing AVTEC is to be able to identify efficiencies, industry partnerships and alternative means of service delivery in light of reduced budgets and increasing operating costs, thereby allowing the school to continue to operate and provide quality training programs. A tuition increase is being implemented in FY2005 to provide additional resources.

Retaining qualified instructional staff is also a key issue for AVTEC. Several instructional staff in hard to fill positions are retirement eligible from the Teachers' Retirement System with several more coming up in the next two years. Unless statute is changed to allow AVTEC the same opportunity to retain instructional staff currently afforded to school districts around the state, AVTEC may have to cancel training programs due to lack of staff. Legislation has been introduced that would include AVTEC in the language that allows retired teachers to continue to work in hard to fill positions.

Another key issue for AVTEC is to monitor the condition, functionality, and usable life span of AVTEC's facilities. AVTEC has 12 buildings that range in age from 50 years to one new 48-bed dormitory. Some of these buildings have exceeded their useful life or were built to accommodate temporary purposes but are still in use. Utility costs have continued to increase due to inflation and the increased number of buildings operated. To address these issues, AVTEC developed a campus master plan that prioritizes and identifies every building's need of renewal, replacement, or repair of its facilities over a six-year period and submitted the first year's funding request for FY05.

## Significant Changes in Results to be Delivered in FY2005

In SFY04, the Alaska Vocational Technical Center was transferred from the Department of Education and Early Development to the Department of Labor and Workforce Development. AVTEC became part of the newly formed Division of Business Partnerships (DBP). Comparing levels of service between fiscal years will be difficult as services were provided across department lines. We expect better integration of services to the public and we do not expect any major service changes.

## Major Component Accomplishments in 2003

Received accreditation renewal from the Council on Occupational Education for another six years indicating AVTEC staff, training program, and students services meet the highest standards in postsecondary training affords students the opportunity to receive federal loans and grants.

Exceeded national standards for graduate completion rate and training-related employment and graduates enjoy 40-70% higher post-training wages as compared to other Alaska public postsecondary training institutions.

Established an Instructional Service Center in Anchorage to help meet the high demand for Allied Health programs. Partnered with Providence Health Systems to deliver Certified Nurse Assistant and Licensed Practical training programs in Anchorage.

Partnered with the University of Alaska system to establish a Tech Prep agreement to implement a process of recognizing skills earned at AVTEC and allowing for co-enrollment and college credits for the Information Technology, Village Internet Agent, Welding, Automotive, Heavy/Diesel, and Culinary Arts programs.

AVTEC hosted the North American Council of Automotive Teachers (NACAT) convention in July 2003. This international weeklong convention had never before been held in the State of Alaska. Over two hundred people from the U.S.,

Canada, Germany, and Japan came to Seward to receive the latest instruction in automotive and heavy-duty truck issues from major automotive/diesel manufacturers and leading industry representatives through 59 unique seminars.

## Statutory and Regulatory Authority

Statutory Authority:

AS 14.07.020	Provide Post Secondary Vocational Technical Education
AS 44.27.020(1)	Administer Post Secondary Vocational Technical Education
AS 37.07.020(e)	Propose Budget for Facility Operations, Maintenance, Repairs, and Renewals/Replacements

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### Alaska Vocational Technical Center Component Financial Summary

*All dollars shown in thousands*

	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	0.0	4,167.4	4,355.1
72000 Travel	0.0	46.9	46.9
73000 Contractual	0.0	1,382.0	1,631.6
74000 Supplies	0.0	992.2	800.0
75000 Equipment	0.0	190.2	51.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	347.0	347.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>0.0</b>	<b>7,125.7</b>	<b>7,231.6</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	0.0	450.0	450.0
1004 General Fund Receipts	0.0	3,140.5	3,090.5
1007 Inter-Agency Receipts	0.0	690.3	696.2
1151 Technical Vocational Education Program Account	0.0	1,009.5	1,025.4
1156 Receipt Supported Services	0.0	1,835.4	1,969.5
<b>Funding Totals</b>	<b>0.0</b>	<b>7,125.7</b>	<b>7,231.6</b>

### Estimated Revenue Collections

Description	Master Revenue Account	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
<b>Unrestricted Revenues</b>				
Technical Vocational Education Program	51433	0.0	1,009.5	1,025.4
<b>Unrestricted Total</b>		<b>0.0</b>	<b>1,009.5</b>	<b>1,025.4</b>
<b>Restricted Revenues</b>				
Federal Receipts	51010	0.0	450.0	450.0
Interagency Receipts	51015	0.0	690.3	696.2
Receipt Supported Services	51073	0.0	1,835.4	1,969.5
<b>Restricted Total</b>		<b>0.0</b>	<b>2,975.7</b>	<b>3,115.7</b>
<b>Total Estimated Revenues</b>		<b>0.0</b>	<b>3,985.2</b>	<b>4,141.1</b>

**Summary of Component Budget Changes  
From FY2004 Authorized to FY2005 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2004 Authorized</b>	<b>3,140.5</b>	<b>450.0</b>	<b>3,535.2</b>	<b>7,125.7</b>
<b>Adjustments which will continue current level of service:</b>				
-Changes to Retirement and Other Personal Services Rates	0.0	0.0	55.9	55.9
<b>Proposed budget decreases:</b>				
-Eliminate 1 PFT and 4 Non-Permanent Positions No Longer Needed	-50.0	0.0	0.0	-50.0
<b>Proposed budget increases:</b>				
-Increase Receipt Supported Services Authorization for a Increased Tuition and Fee Receipts	0.0	0.0	100.0	100.0
<b>FY2005 Governor</b>	<b>3,090.5</b>	<b>450.0</b>	<b>3,691.1</b>	<b>7,231.6</b>

### Alaska Vocational Technical Center Personal Services Information

Authorized Positions			Personal Services Costs	
	<u>FY2004</u> <u>Authorized</u>	<u>FY2005</u> <u>Governor</u>		
Full-time	21	15	Annual Salaries	3,214,598
Part-time	49	54	Premium Pay	16,596
Nonpermanent	0	1	Annual Benefits	1,303,566
			Less 3.96% Vacancy Factor	(179,660)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>70</b>	<b>70</b>	<b>Total Personal Services</b>	<b>4,355,100</b>

### Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk II	0	0	0	1	1
Accounting Tech II	0	0	0	1	1
Administrative Assistant	0	0	0	1	1
Administrative Clerk II	0	0	0	3	3
Asst.Dir.Instruction & Housing	0	0	0	1	1
Business Svcs Administrator	0	0	0	1	1
Community Devel Spec I	0	0	0	1	1
Department Head - AVTEC	1	0	0	8	9
Division Director	0	0	0	1	1
Dormitory Attendant	0	0	0	3	3
Education Assoc III	0	0	0	1	1
Education Prog Assistant	0	0	0	1	1
Food Service Journey	0	0	0	3	3
Food Service Lead	0	0	0	1	1
Food Service Sub Journey	0	0	0	2	2
Instructors Aide I	0	0	0	1	1
Instructors Aide II	1	0	0	3	4
Micro/Network Tech II	0	0	0	1	1
Prog Svc Aide IV	0	0	0	1	1
Recreation Assistant	0	0	0	1	1
Secretary	0	0	0	1	1
Student Intern I	0	0	0	1	1
Supply Technician II	0	0	0	1	1
Teacher - AVTEC	4	0	0	23	27
Training Specialist	0	0	0	1	1
Work Force Dev Spec I	0	0	0	1	1
<b>Totals</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>64</b>	<b>70</b>